



Avista Corp.

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January 3, 2024

Doug Elliott
General Manager & CEO
Kootenai Electric Cooperative, Inc.
2451 W. Dakota Ave.
Hayden, ID 83835

RE: Letter Agreement Allocating Service Area

Avista Corporation (“Avista”) and Kootenai Electric Cooperative, Inc. (“KEC”) (Avista and KEC are sometimes referred to herein individually as a “party” and collectively as the “parties”) are both electric suppliers that provide electric service within the State of Idaho. Avista and KEC understand that a new development is planned in the Northeast Corner of Prairie Avenue and Highway 41 in Post Falls, Idaho, as more fully described in Exhibit A (“Development”). Both Avista and KEC have existing facilities in the area of the Development and, at least at this time, it cannot be determined by proof whether Avista’s or KEC’s service line is nearest the new service entrances. *See* Idaho Code § 61-332C(d). Accordingly, under the Idaho Electric Supplier Stabilization Act (“Stabilization Act”), Avista and KEC have agreed to allocate service territory within the Development between Avista and KEC, as outlined in Exhibit A. The parties are entering into this Letter Agreement to (i) avoid unnecessary duplication of facilities; (ii) avoid disputes between the parties as to which utility is entitled to provide service to new service entrances within the Development; and (iii) provide consumers who locate their electric service entrances on the Developers real property with the best possible service. Avista and KEC each understand that the allocation of service territory set forth herein is subject to approval by the Idaho Public Utilities Commission (“Commission”). *See* Idaho Code § 61-332C.

In consideration of the covenants and agreements herein contained, Avista and KEC agree as follows:

1. Avista and KEC shall, subject to an order from the Commission approving the allocation of service territory set forth in this Letter Agreement, each be entitled to extend their facilities, to the exclusion of the other, within the territory allocated to it, as marked in Exhibit A

(which is attached hereto and incorporated herein), and to provide service to consumers who locate new service entrances within such territory, specifically:

a. Avista's service territory shall be Block Two Lots 11, 12, 13, 14 located North of Prairie and East of Hwy 41 in the Commercial Tracts at Prairie Crossing Regional Shopping Center as illustrated in Blue in Exhibit A.

b. KEC's service territory shall be Block Two Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10 located North of Prairie and East of Hwy 41 in the Commercial Tracts at Prairie Crossing Regional Shopping Center as illustrated in Green in Exhibit A.

c. Block One Lots 1, 2, 3, 4, 5 shall be open to competition and governed by the Idaho Stabilization Act and/or the Avista/KEC Development Agreement.

2. Avista and KEC shall provide line extensions and electric service within the territory allocated to such party, as outlined on in Paragraph 1 and Exhibit A of this Letter Agreement, pursuant to the provisions of its applicable line extension policies, rate schedules and/or tariffs.

3. The parties' respective current electric service lines shown on Exhibit A, as well as any line extensions external to the boundaries of the Development as outlined on Exhibit A, which are required to reach existing infrastructures within the Development, and which are installed in accordance with the Stabilization Act, may be used to determine future electric service rights to new service entrances located in territory not allocated pursuant to this Agreement.

4. Any changes in lot lines, roadways or other boundaries within the Development that occur after the date of this Agreement shall not constitute a change to this Agreement, and the boundaries outlined on Exhibit A shall be used to determine the service territory of the respective Parties within the Development.

5. Avista shall prepare and submit the application for an order approving the allocation of service territory set forth in this Letter Agreement from the Commission and KEC shall join in or otherwise cooperate in the application.

6. In the event the Commission does not approve the allocation of electric service territory as set forth in this Letter Agreement, then this Letter Agreement shall be *void ab initio*, and the parties agree to renegotiate in good faith an allocation agreement that is ultimately acceptable to the Commission.

7. If approved by the Commission, this Agreement shall be binding upon the parties, their successors, and/or their assigns.



8. Neither party shall be responsible for any obligation of the other party, including any obligation committed to by the other party with regard to the Development prior to the date of this Letter Agreement.

ACCEPTED AND AGREED TO:

AVISTA CORPORATION



Patrick Ehrbar
Director of Regulatory Affairs

KOOTENAI ELECTRIC COOPERATIVE, INC.

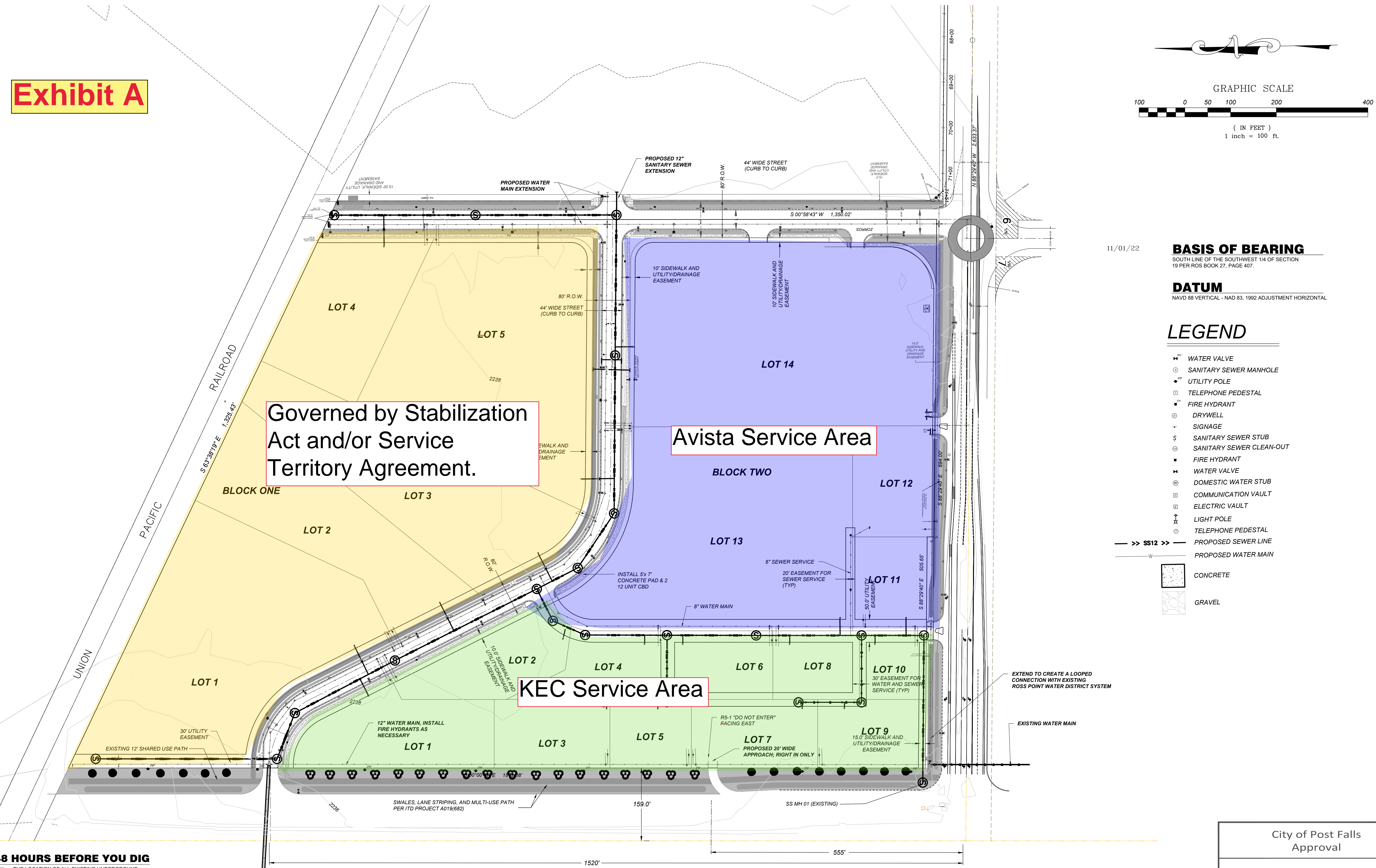
Doug Elliott
General Manager & CEO



CONSTRUCTION PLAN FOR THE COMMERCIAL TRACTS AT PRAIRIE CROSSING REGIONAL SHOPPING CENTER

LOCATED IN THE SOUTHWEST 1/4 OF SECTION 19, TOWNSHIP 51 NORTH, RANGE 4 WEST, BOISE MERIDIAN, POST FALLS, KOOTENAI COUNTY, IDAHO

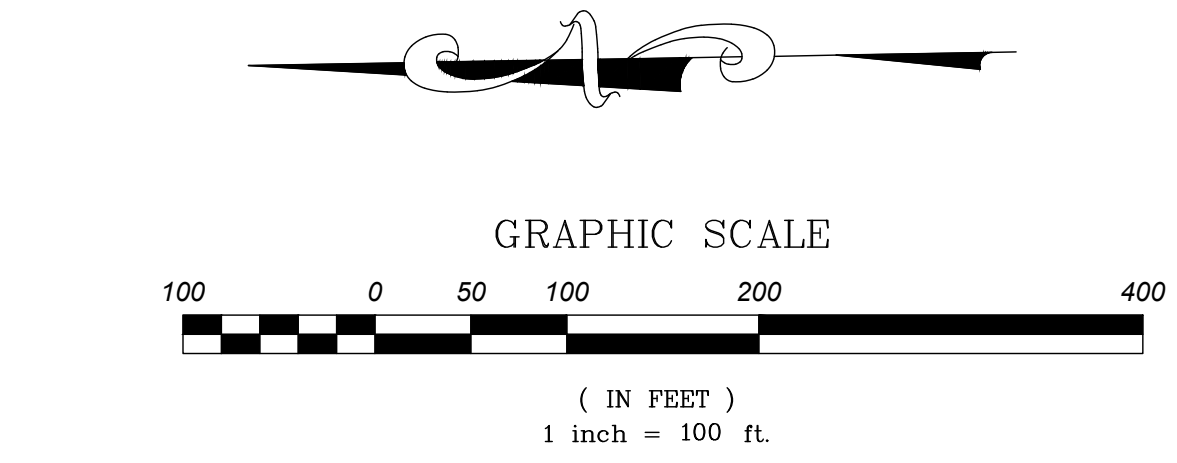
Exhibit A



Governed by Stabilization Act and/or Service Territory Agreement.

Avista Service Area

KEC Service Area



11/01/22
BASIS OF BEARING
 SOUTH LINE OF THE SOUTHWEST 1/4 OF SECTION 19 PER ROS BOOK 27, PAGE 407.
DATUM
 NAVD 88 VERTICAL - NAD 83, 1992 ADJUSTMENT HORIZONTAL

- LEGEND**
- ⊕ WATER VALVE
 - ⊙ SANITARY SEWER MANHOLE
 - ⊙ UTILITY POLE
 - ⊙ TELEPHONE PEDESTAL
 - ⊙ FIRE HYDRANT
 - ⊙ DRYWELL
 - ↑ SIGNAGE
 - ⊙ SANITARY SEWER STUB
 - ⊙ SANITARY SEWER CLEAN-OUT
 - ⊙ FIRE HYDRANT
 - ⊕ WATER VALVE
 - ⊙ DOMESTIC WATER STUB
 - ⊙ COMMUNICATION VAULT
 - ⊙ ELECTRIC VAULT
 - ⊙ LIGHT POLE
 - ⊙ TELEPHONE PEDESTAL
 - SS12 — PROPOSED SEWER LINE
 - — PROPOSED WATER MAIN
 - ▭ CONCRETE
 - ▭ GRAVEL

CALL 48 HOURS BEFORE YOU DIG
 THE LOCATION OF ALL EXISTING UNDERGROUND UTILITIES IS SHOWN IN AN APPROXIMATE WAY ONLY. THE CONTRACTOR SHALL DETERMINE THE EXACT LOCATION OF ALL EXISTING UTILITIES BEFORE COMMENCING WORK. HE AGREES TO BE FULLY RESPONSIBLE FOR ANY AND ALL DAMAGES WHICH MIGHT BE OCCASIONED BY HIS FAILURE TO EXACTLY LOCATE AND PRESERVE ANY AND ALL UNDERGROUND UTILITIES.

City of Post Falls
 Approval
 Approved By: *[Signature]* 1/11/23
 City Engineer Date

NO.	DATE	REVISION

PROFESSIONAL ENGINEER
 7432
 01/09/23
 STATE OF IDAHO
 GORDON DOBLER

ELECTRONIC COPY
 ORIGINAL DOCUMENTS ON FILE AT
 FRAME & SMETANA, P.A.
 SIGNED BY: GORDON DOBLER
 DATE: FEBRUARY, 2023

DESIGN BY: GD
 DRAWN BY: BAM
 CHECKED BY: JAS
 PLOT DATE: 02-22-2023

ENGINEERING AND SURVEYING
 FRAME & SMETANA
 603 North 4th Street,
 Coeur d'Alene, Idaho, 83814
 Ph. (208) 664-2121
 Email: info@frameandsmetana.com

LOCATION: NE CORNER OF HWY 41 AND PRAIRIE AVENUE
 CITY OF POST FALLS, KOOTENAI COUNTY, IDAHO
 SHEET TITLE: CONSTRUCTION PLANS FOR COMMERCIAL TRACTS
 PRAIRIE CROSSING REGIONAL SHOPPING CENTER
 SITE PLAN OVERVIEW
 SECTION-TOWNSHIP-RANGE
 S19-T51N-R04W
 PROJECT NO.
 P430
 CAD FILE:
 P430 CIVIL SITE
 DRAWING NO.
 C2